



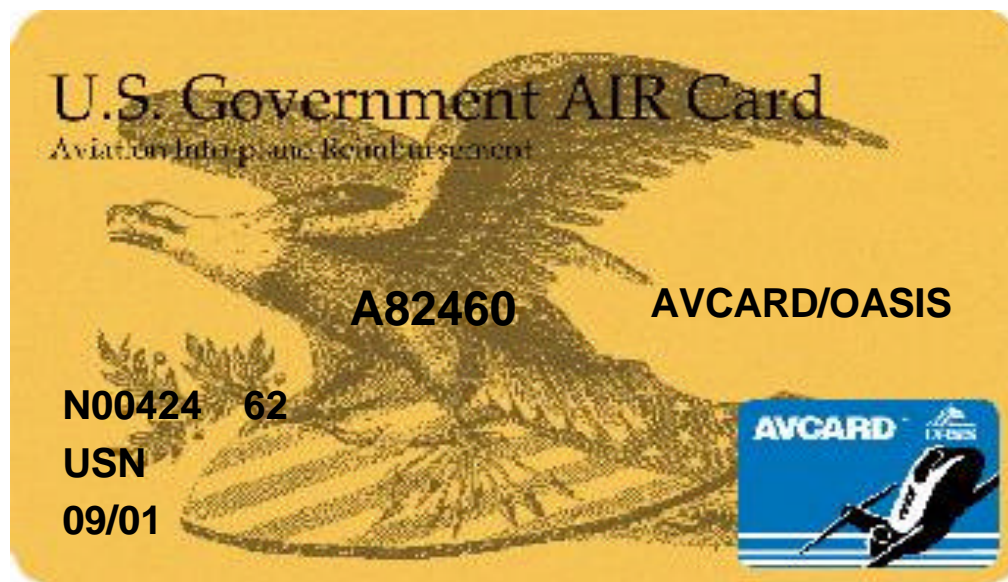
Navy and Marine Corps

AIR Card

(Aviation Into-Plane Reimbursement Card)

Desk Guide

October 2000



Navy Petroleum Office
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Recommendations for changes or additions to this Desk Guide are encouraged and should be submitted to the Navy Petroleum Office at the address listed in Chapter 1, paragraph C.

CHAPTER I

INTRODUCTION

A. PURPOSE

This Desk Guide has been established to provide standard operating procedures (SOP) as well as to train and assist squadron personnel in the use of Aviation Into-Plane Reimbursement Cards (AIR Cards).

B. BACKGROUND

1. Into-Plane Program

The Defense Energy Support Center (DESC) awards contracts throughout the world to Fixed Base Operators (FBOs) for the purchase of aviation fuel at commercial airports by military and Government aircrews. These contracts are known as Into-Plane contracts and are only awarded when annual requirements at a commercial airport are 15,000 gallons or more. There are over 300 worldwide Into-Plane contracted FBOs who provide services at over 500 airports, all of which enable aircrews to obtain fuel at substantial savings over posted commercial airport prices. (Activities pay Department of Defense (DoD) standard prices vice posted prices when contracted fuel is received.) A list of Into-Plane contracted FBOs is available on the Internet at the DESC website, www.desc.dla.mil, under customer service. Into-Plane contracts also ensure fuel quality standards are maintained by FBOs.

Aircrews were initially issued the DoD Jet Fuel/Avgas **Identaplate** (DD Form 1896) to obtain fuel from Into-Plane contracted FBOs **and** DoD and NATO military installations. Now, the identaplate is only for use at DoD and NATO military installations, and for Canadian National Defence Contract (CNDC) locations. NAVSUP Instruction 7300.28A, Procurement and Billing of Aviation Fuels and Lubricants Using the DoD Identaplate (DD Form 1896) provides guidance, policy, and procedures for the use of identaplates.

2. AIR Card Program

Since the Into-Plane program does not include all commercial airports, pilots have had to procure fuel using local purchase methods (Standard Form 44), which are prone to errors, payment

delays and expensive product costs. To improve this situation and to satisfy the government mandate to move more towards electronic commerce, DESC entered into a contract with AVCARD, Inc., on 1 October 1997 to establish a credit card for government procurement of aviation fuel. AVCARD is an aviation credit card company that has served the corporate aviation market since 1984 using their AVCARD credit card. The Government credit card is known as the Aviation Into-Plane Reimbursement Card (AIR Card) and it allows Military Services and federal agencies to purchase fuel at over 4800 commercial airports worldwide. In addition, the AIR Card can also be used to purchase fuel related products and ground services, which are not included in Into-Plane contracts.

The AIR Card contract currently in effect was awarded to AVCARD, Inc., on 1 January 2000 for two years. The contract has an expiration date of 30 September 2001; with 3 one-year options to extend it to 30 September 2004, if required. The web address for a copy of the contract is <http://www.desc.dla.mil>.

As of July 1999, **AIR Cards replaced identaplates for purchasing fuel at all Into-Plane contracted locations. Identaplates are only authorized for use at DoD and NATO military installations and CNDC locations.** It is DESC's long-term goal to replace the identaplate, Air Force Form 1245, and paper forms (SF44 and AF315) with the AIR Card for use at all DoD military installations. NATO military installations and CNDC locations will still utilize the identaplate.

3. CANADIAN NATIONAL DEFENCE CONTRACTS (CNDC)

The U.S. Air Force and Royal Canadian Air Force Petroleum Oils and Lubricants (POL) suspense agreement and the U.S. and Canadian Acquisition Cross Servicing Agreement enable U.S. Navy and U.S. Marine Corps aircraft to refuel at airports where the Canadian Department of National Defense has established contracts similar to DESC Into-Plane contracts. These contracts are known as Canadian National Defence Contracts or CNDCs. Fuel purchases under CNDCs are exempt from Canadian excise tax. A list of CNDC locations with contractor's name, phone number and fuel type is available on the Internet at the DESC website, www.desc.dla.mil, under customer service and then Into-Plane.

Aircraft crewmembers obtaining fuel at CNDC locations must only use their identaplate and the receipt form provided by the vendor. **An AIR Card should not be used to obtain fuel at CNDC locations.** If an AIR Card is used, the squadron will be charged

the commercial fuel price with no recourse or refund. AIR Cards or SF44s may **only** be used at those Canadian commercial airports not shown on the CNDC location listing.

C. NAVY AND MARINE CORPS SERVICE CONTROL POINT

The Navy Petroleum Office (NAVPETOFF) is the Navy and Marine Corps Service Control Point (SCP) for the AIR Card. As the SCP, NAVPETOFF is responsible for establishing and coordinating Department of the Navy (DoN) policy and procedures for the AIR Card program; providing input to DESC on contract requirements; disseminating contract information; maintaining the DoN squadron data base; distributing AIR Cards; assisting with invoice issues; and answering program questions.

Address: Commanding Officer
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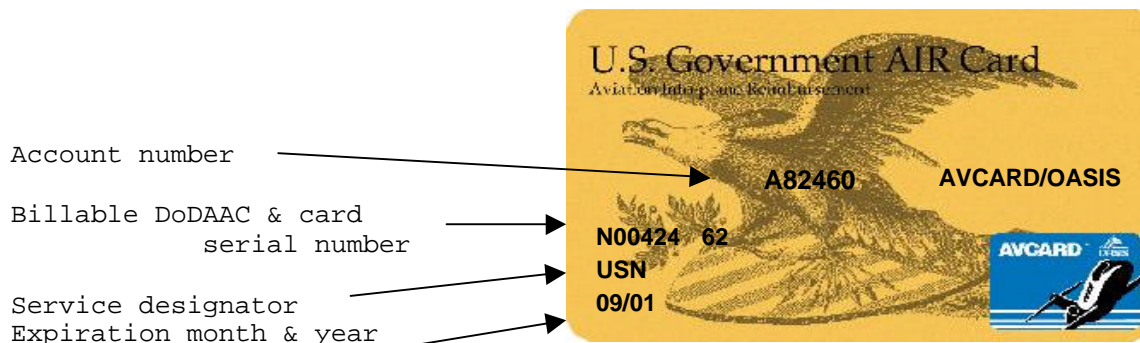
DSN: 427-7348/7333
Comm: 703-767-7348/7333

D. FREQUENTLY ASKED QUESTIONS

The following are frequently asked questions with answers that should help you better understand the AIR Card program.

1. What is the AIR Card?

The AIR Card is an embossed credit card (similar to a VISA card), which shows an account number, a billable DoDAAC (Service designator with unit identification code which is registered in the DAAS system as a billable address), two-digit card serial number, Service branch (USN), and expiration month and year. The following is an example of an AIR Card:



2. What products may be purchased with the AIR Card?

Authorized **fuel** and **fuel related product** purchases include:

- aviation fuel
- callout fees
- flowage fees
- fuel additives
- overtime charges
- rapid/hot refueling fees
- taxes

Authorized **ground** and **ramp services** include:

- aircraft housekeeping (trash collection, lavatory servicing, potable water, etc.)
- aircraft landing fees
- aviator breathing oxygen
- de-icing service
- defuel and refuel service fees
- ground equipment fees (stairs, STARCART GPU, etc.)
- hydraulic fluids
- lube oil
- parking fees
- ramp fees
- security services
- slot time fees
- supplies (maps, navigational aids, etc.)

3. Where can the AIR Card be used?

AIR Cards can be used at both DESC Into-Plane contracted FBOs and non-contracted FBOs worldwide. A list of locations with general information is available on the Internet at the AVCARD website: www.avcard.com. Appendix C provides examples of a CONUS and OCONUS location. A list of Into-Plane contracted locations is available on the Internet at the DESC website, www.desc.dla.mil. AIR Cards are currently being tested at select DoD military installations. However, identaplates are required for purchasing aviation fuel and lubricants at all other DoD and NATO military installations, and CNDC locations.

4. Is there a price discount for using the AIR Card?

At most commercial airports where the AIR Card is accepted, AVCARD has established a contract with the FBO, which offers fuel at a discount over the posted price. This discount varies from location to location; however, the average discount for all

AIR Card-accepting FBOs has been 10 cents. The FY00 third quarter average was 30 cents.

5. What is the priority for fuel sources?

At commercial airports where both Into-Plane contract and non-contract fuel is available, aircrews are only authorized to purchase Into-Plane contract fuel. Because of the increased cost to the Government of both Into-Plane contract fuel and non-contract fuel compared to DOD-owned fuel, military fuel provided at military air bases should be utilized first whenever possible.

The following is the order of **priority for refueling**:

Military installations	(Identaplate)	(Standard Price)
Fuel Exchange Agreements (FEAs)	(Identaplate)	(Standard Price)
CNDC locations (Canada)	(Identaplate)	(Standard Price)
DESC Into-Plane contracted FBOs	(AIR Card)	(Standard Price)
Non-contracted FBOs	(AIR Card)	(AVCARD discounted price)
Open market purchases	(SF44)	(Commercial price)

6. Who participates in this program?

The Air Force, Army, Coast Guard, Navy, Marine Corps, and Federal Agencies (Departments of Transportation, Justice, and Treasury; National Air & Space Administration; State and Local Law Enforcement Agencies; Foreign Military Sales, etc.) participate in the DESC AIR Card program.

CHAPTER II

STANDARD OPERATING PROCEDURES (SOP)

A. GENERAL GUIDANCE

1. Ordering AIR Cards

To order AIR Cards contact the Navy Petroleum Office (NAVPETOFF) program manager, at DSN 427-7348/7333 or commercial 703-767-7348/7333. You will need to provide the following information:

- a. Squadron name
- b. Home station information
 - Mailing address for squadron
 - Mailing address for invoices
 - Squadron POC
 - Commercial, DSN, and FAX phone numbers
 - E-mail address
- c. Billable DoDAAC (Squadron's or Supplemental Address')
- d. Bureau Numbers (BUNOs) for each aircraft
- e. Type/Model/Series for each aircraft
- f. Fund Code
- g. Signal Code ("A" if there is no Supplemental Address, or "B" if there is a Supplemental Address.)

2. Canceling AIR Cards

To cancel AIR Cards, contact NAVPETOFF and provide the following information:

- a. DoDAAC
- b. Squadron/Unit name
- c. AIR Card serial number(s)

After contacting NAVPETOFF, cancelled cards should be cut-up and discarded.

3. Lost/Stolen AIR Cards

Report lost/stolen AIR Cards to NAVPETOFF immediately providing the following information:

- a. DoDAAC
- b. Squadron/Unit name

- c. AIR Card serial number(s)
- d. Whether or not a replacement card is required

NAVPETOFF will report the lost/stolen AIR Card(s) to AVCARD for cancellation. If the squadron/unit needs a replacement card, it will be ordered from AVCARD and forwarded within 48 hours.

4. Transferring Aircraft

a. Permanent Transfers: When aircraft are transferred to another squadron or activity on a permanent basis, **any AIR Card assigned to the transferring aircraft must remain with the transferring squadron or activity** since the AIR Card is embossed with that unit's billable DoDAAC. The AIR Card may be used as a spare. The unit receiving the transferring aircraft will use or assign their spare AIR Card to the aircraft. If the receiving unit does not have spare AIR Cards, the unit should contact NAVPETOFF to order an AIR Card following the procedures in paragraph 1.

b. Temporary Transfer: When aircraft are transferred to another squadron or activity on a temporary basis, the unit transferring the aircraft must be sure their AIR Card is not used for refueling the aircraft while being used by the receiving unit.

If the aircraft is sent to a maintenance facility or contractor for modifications, attention must be made as to which activity is responsible for fueling the aircraft during this time.

5. Squadron Decommissionings

When a squadron is decommissioned, the responsible individual for the unit must notify NAVPETOFF and follow the procedures outlined in paragraph 2 above. Additionally, the individual must provide NAVPETOFF with a point of contact (name and phone numbers) for the activity that will be handling the decommissioned unit's outstanding bills.

6. Squadron Deployments

When a squadron or detachment deploys, the unit must contact NAVPETOFF to update its billing information (if it is changing for the deployment). The information required includes:

- a. Deployment location (ship or air station name)

- b. Deployment length
- c. New invoice mailing address (if applicable)
- d. Point of contact
- e. Phone numbers
- f. E-mail address

7. Squadron Information Database

NAVPETOFF maintains the AIR Card database for Navy and Marine Corps squadrons. It is imperative that this database be kept up-to-date. Any changes in the database information must be reported to NAVPETOFF as soon as possible. The information included in the database is:

- a. Squadron
- b. MALS (for Marine Corps squadrons)
- c. Wing
- d. Type Command
- e. Branch of Service
- f. Bureau numbers (BUNOs) for each aircraft
- g. Type/Model/Series
- h. Home station information
 - Mailing address for squadron
 - Mailing address for invoices
 - Point of contact
 - Commercial, DSN and FAX phone numbers
 - E-mail address
- i. Billable DoDAAC
- j. Fund code
- k. Signal code
- l. Supplemental address (if another activity is paying the unit's bills)

8. Mission Planning

When planning missions, consideration must be given to scheduling refuelings at the most economical locations whenever possible. A military installation should be the first choice. However, when missions warrant refueling at commercial airports, Into-Plane contracted or CNDC FBOs should be selected first, followed by non-contracted FBOs who accept the AIR Card, and then FBOs who do not accept AIR Card (an open market purchase using SF-44). Pilots and aircrews should be advised that many commercial airports have more than one FBO which service aircraft and that Into-Plane contracted and CNDC FBOs should be identified and used before using non-contracted FBOs. Pilots and aircrews should also be advised that Into-Plane contracted

and CNDC FBOs often contract for only one specific fuel type, which may be with or without additives (i.e., FSII). Aircrews must ensure the contracted fuel type is delivered and properly annotated on the receipt. Non-contracted fuel type deliveries will be charged at the commercial rate without recourse or refund.

The following is the **refueling priority**:

Military installations*	(Identaplate)	(Standard Price)
Fuel Exchange Agreements (FEAs)	(Identaplate)	(Standard Price)
CNDC locations (Canada)	(Identaplate)	(Standard Price)
DESC Into-Plane contracted FBOs	(AIR Card)	(Standard Price)
Non-contracted FBOs	(AIR Card)	(AVCARD discounted price)
Open market purchases	(SF44)	(Commercial price)

* Mission planners should also be aware that the U.S. Air Force has received approval to add a surcharge to all refuelings at their air bases. This means DoN activities will pay the DoD standard price **plus** the USAF surcharge whenever their aircraft refuel at USAF bases. USAF standard prices can be found in NAVPETOFFNOTE 4265 or at <https://www.kelly.af.mil/sfweb/CMAL/cmall.htm>

DESC Into-Plane contracted and CNDC FBOs are listed on the Internet at the DESC website: www.desc.dla.mil. These contracted FBOs are also identified in the DoD Flight Information Publication (FLIP) Enroute Supplements. Non-contracted FBOs who accept the AIR Card are also listed on the Internet at the AVCARD website: www.avcard.com. Examples of AVCARD web-site information are provided in Appendix C.

9. Flight Packets

All aircraft flight packets should include an identaplate (DD Form 1896), an AIR Card, and a SF44. It is recommended that a current listing of the applicable DESC Into-Plane contracted and CNDC FBOs for the mission be included in the flight packet. The "priority for refueling" table in paragraph 7, states where each of these purchasing tools should be used.

10. Acceptance of Gratuities from Contractors

Pilots, flight commanders, aircraft commanders, crew chiefs, and crew members are considered to be Government procurement officials when obtaining fuel and/or ground services at commercial airports. As such, they must not solicit or accept gratuities from the contractors providing these services. Executive Order 12731 of 17 October 1990, entitled Principals of Ethical Conduct for Government Officers and Employees, clearly

identifies the standards of conduct expected of flight crewmembers. The Executive Order was included as an attachment to a recently distributed letter addressing this issue. This letter with the attachment is provided in Appendix H.

B. AIR CARD TRANSACTIONS

There are basically three types of AIR Card transactions: fuel purchases at Into-Plane contracted locations; fuel purchases at non-contracted locations; and purchases of ground services at either contracted or non-contracted locations. For each type of transaction, the pilots or aircrew member will receive a receipt from the FBOs.

Invoice processing procedures and prices are different for refuelings at Into-Plane contracted FBOs and non-contracted FBOs who accept the AIR Card. Also, since Into-Plane contracts do not include ground services, invoices for these services will be received separately from AVCARD, however, they are processed the same as non-contracted fuel invoices. The following sections discuss receipts and explain the differences in processing each transaction type.

1. Refueling and Ground Service Receipts and Obligations

a. After refueling or receiving ground services, the pilot or aircrew member will receive a receipt for the transaction from the FBO. (Note: Into-Plane contractors are authorized to use commercial delivery receipts or the DD Form 1898, AVFUEL Into-Plane Sales Slip.) The responsible crewmember will certify that the product type/service, quality, and quantity is correct by signing and printing his/her name, rank/grade, and squadron on the receipt. Upon returning to their home station, all receipts must be turned in to the squadron's records keeper (Aviation Storekeeper, MALs, comptroller, etc.) to establish and/or account for the corresponding obligations, verify/certify invoices for payment, and reconcile fuel charges to the OPTAR log/SFOEDL.

b. Financial Management Regulations (FMR) require all obligations be posted when the order is placed. The procedures to do this are determined by the Fleet, Type and/or local Commander. There are various systems used to post obligations including "FASTDATA", "Enterprise" and "ASKIT", and manually. Refer to your Fleet's/Type Commander's guidance and/or local financial procedures for establishing obligations/posting transactions in the OPTAR Log.

2. Fuel Purchases at Into-Plane Contracted Locations

a. When fuel is received from an **Into-Plane contracted FBO**, the FBO sends sales information to AVCARD where it is identified, entered into their computer, and electronically forwarded to the DESC. A document number is assigned to the transaction, and is constructed by using the activity's billable DoDAAC listed in the AVCARD database, the Julian date of the transaction, and the last four digits of the receipt's pre-printed serial number.

b. DESC processes the information and sends an electronic file to the Defense Finance and Accounting Service (DFAS) Columbus, Ohio. DFAS Columbus, on behalf of DESC, pays the invoice by forwarding a check or electronic funds transfer (EFT) to the contractor. DFAS Columbus then sends an inter-fund bill (at the DoD standard price for Into-Plane fuel) to the squadron's servicing DFAS OPLOC for the squadron's billable DoDAAC listed in the AVCARD database. (DESC pays the difference between the FBO's contracted price and the standard price.) DESC is paid when the bill is registered with the U.S. Treasury and the charge is processed by the servicing DFAS OPLOC against the squadron's line of accounting. This payment will eventually post to the unit's OPTAR. For activities using the Aviation Storekeeper Information Tracking System (ASKIT), the payment will eventually post to the unit's Summary Filled Order/Expenditure Difference Listing (SFOEDL) and reduce the aviation fuel (AVFUEL) money value only obligation. The SFOEDL will be reconciled against the OPTAR log for a matching obligation within the ASKIT-SFOEDL reconciliation process.

c. The pilot's copy of the receipt is used for posting an OPTAR log entry/establishing the obligation for the fuel received. They should be made at the DoD standard price for Into-Plane fuel. (The FY01 standard price for Into-Plane fuel is \$1.27. DoD standard fuel and lubricant prices for several fiscal years can be found on the Internet at www.desc.dla.mil; click on customer service.) A document number for the fuel received **must** be created by using the activity's billable DoDAAC; the Julian date of the transaction; and the last four digits of the receipt's pre-printed serial number. If the document number is not created this way, it will cause a mismatch and appear on the activity's suspense listing received from their DFAS OPLOC.

Note: No AVCARD invoice will be received for Into-Plane contracted purchases.

3. Fuel Purchases at Non-Contracted Locations

a. When fuel is received from a **non-contracted FBO who accepts the AIR Card**, the FBO sends an invoice and the signed receipt to AVCARD for payment. AVCARD pays the FBO and invoices the squadron (or the supplemental address indicated in their database) for the fuel. **The invoice may occasionally reflect a price that is different than what the FBO wrote on the pilot's receipt.** (This occurs when the FBO writes his posted price on the receipt vice a discounted price AVCARD and the FBO may have previously agreed upon.) An example of an AVCARD invoice for fuel is provided in Appendix D.

b. When the squadron (or their supplemental address) receives the invoice, the Prompt Payment Act requires the activity to stamp/record the date and time of receipt on the AVCARD invoice. The invoice information must then be verified with the pilot's/aircrew's copy of the fuel receipt.

(1) If **no** OPTAR obligation/receipt/log entry was previously created from the pilot's receipt, a log entry is made for the fuel purchase using the invoice cost. The invoice is then certified, dated, and forwarded (along with a completed Prompt Payment Certification (PPC)) to the squadron's servicing DFAS OPLOC for payment.

(2) If an OPTAR obligation/receipt/log entry was previously created from the pilot's receipt **and** the invoice matches the pilot's receipt, the invoice is certified, dated, and forwarded (along with a completed (PPC)) to the squadron's servicing DFAS OPLOC for payment.

(3) If an OPTAR obligation/receipt/log entry was previously created from the pilot's receipt **and** the invoice does not match the pilot's receipt due to discounted prices or previously omitted Federal Excise Tax, the OPTAR obligation/receipt/log entry must be adjusted to reflect the correct charge. All other deviations must be resolved through the dispute process prior to certifying the invoice for payment. (The disputes process involves the squadron/comptroller contacting AVCARD to resolve the issue. If the issue cannot be resolved, contact NAVPETOFF.) After making the adjustments or resolving the dispute, the invoice is certified, dated, and forwarded (along with a completed (PPC)) to the squadron's servicing DFAS OPLOC for payment. DFAS will pay AVCARD either by check or EFT, via its bank.

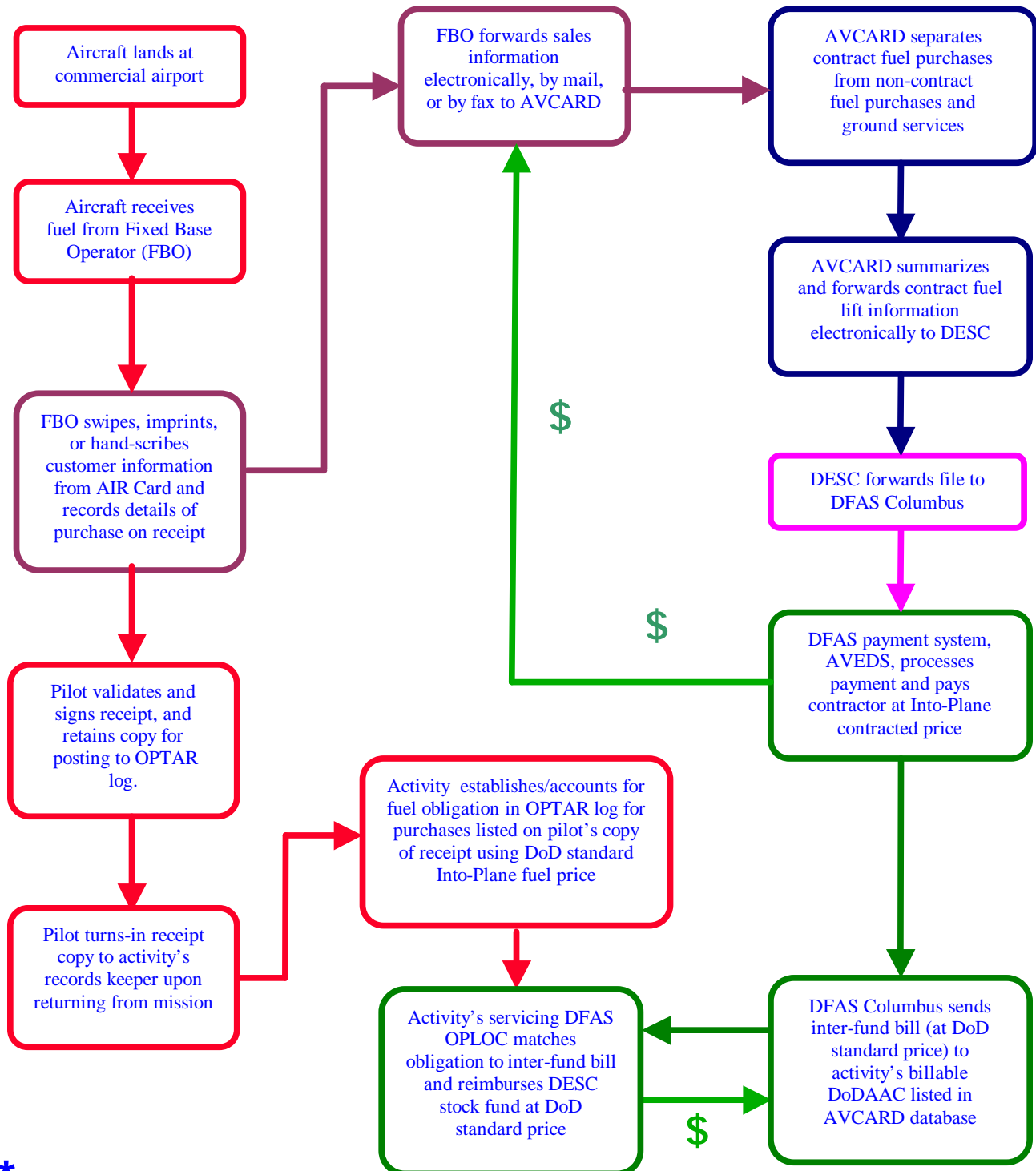
4. Purchases of Ground Services at Contracted and Non-Contracted Locations

Whether ground services are received at either an Into-Plane contracted or non-contracted FBO, they are processed the same way. The pilot/aircrew will sign a detailed, itemized receipt for the services and be given a copy. The FBO sends AVCARD an invoice along with a copy of the signed receipt. AVCARD pays the FBO and sends an invoice (separate from a fuel invoice) to the squadron (or the supplemental address listed in their database). (An example of an AVCARD invoice for ground services is provided in Appendix D.) When the invoice is received, the Prompt Payment Act requires the activity to stamp/record the date and time of receipt on it. The activity must then verify the invoice with the pilot's/aircrew's copy of the receipt and previously created obligation in the OPTAR log. If they all match, the activity certifies and dates the invoice citing the squadron's line of accounting and the requisition document number posted in the OPTAR log, and forwards it (along with a completed (PPC)) to their servicing DFAS OPLOC for payment. If the invoice does not match the pilot's receipt and OPTAR log, the difference must be resolved through the dispute process prior to certifying the invoice for payment.

The two flow charts on the following pages explain these three basic AIR Card transactions.

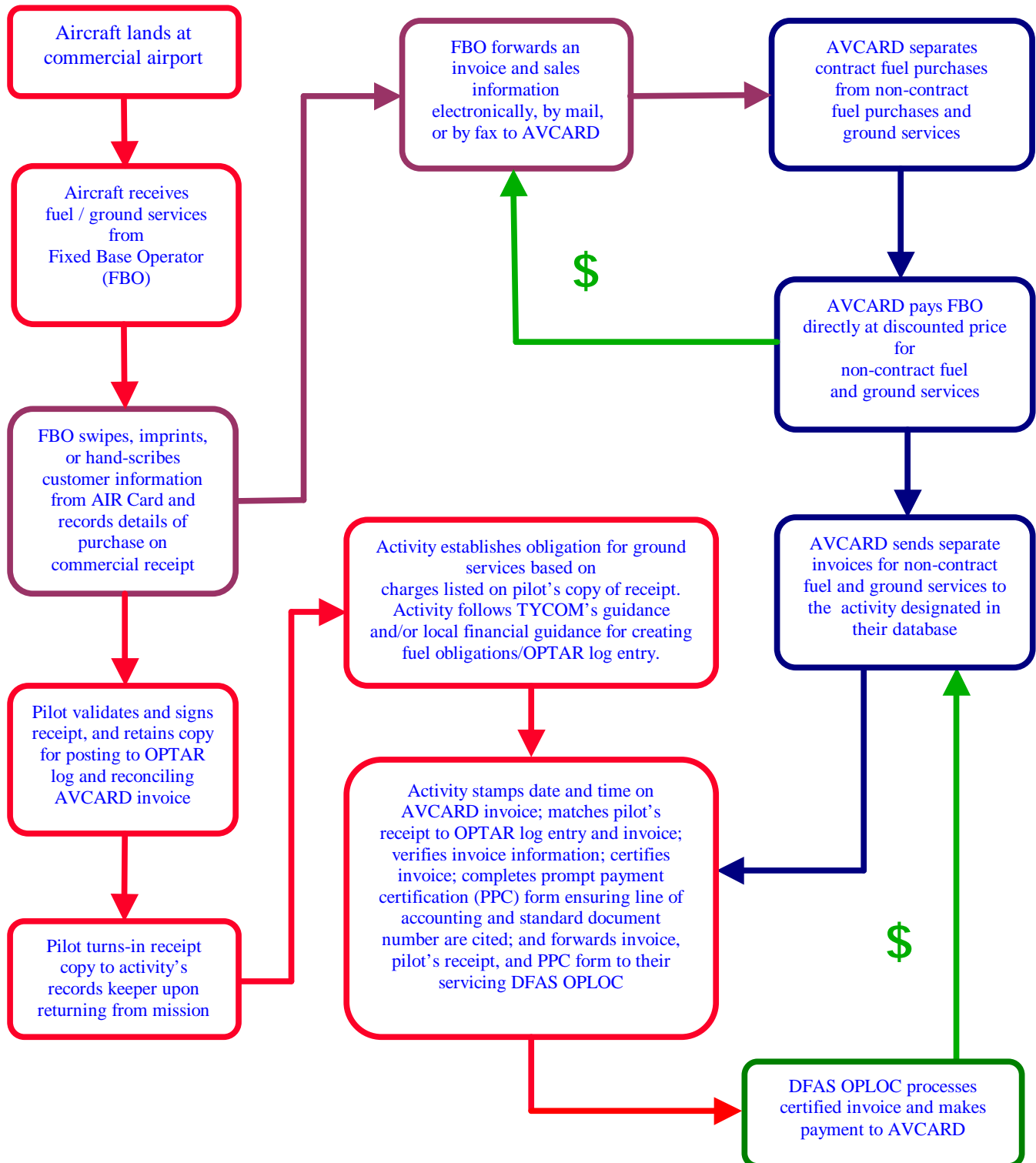
AIR Card Transaction

at an
Into-Plane Contracted Location
(Fuel only *)



* Ground services purchased at Into-Plane contracted locations are handled the same as at non-contracted locations. See following chart.

AIR Card Transaction at an Non-Contracted Location (Fuel & Ground Services)



C. PAYMENT GUIDANCE

1. AVCARD Invoice Information

An AVCARD invoice will show the invoice date, the date the fuel or ground services were received, where the fuel or ground services were received, the quantity, the price per gallon and total cost, the total invoice charges, and the squadron's billable DoDAAC. Examples of AVCARD invoices are in Appendix D. **Separate invoices are sent for fuel and ground services.**

2. Certifying AVCARD Invoices

AVCARD forwards original invoices on Thursdays for new fuel and ground service charges to the activity address (squadron, comptroller, MALS, Type Commanders, etc.) designated in the AVCARD database. (This database is maintained by NAVPETOFF for Navy and Marine Corps.) Upon receiving the original invoice, the activity is required by the Prompt Payment Act to stamp/record a date and time of receipt on it. (The Government has 30 days from this receipt date to pay the invoice before interest penalties start to accumulate.) Activity personnel must then review the invoice and match the information to the pilot's/aircrew's receipt recorded in the OPTAR log. A Prompt Payment Certification must be completed citing the line of accounting and the standard document number, and returned with the original invoice to the activity's servicing DFAS OPLOC for payment. (When certifying invoices, it is incumbent for the activity to ensure they only certify the **original** invoice.) A copy of all documents must be retained by the activity.

3. Defense Finance and Accounting Service (DFAS) Requirements

DFAS **cannot** pay AVCARD invoices without the following:

a. Certified original invoice with a completed Prompt Payment Certification Form (PPCF). An example of a PPCF is provided in Appendix F. (The certification must have the statement "Received, inspected, and accepted"; certifying officer's signature and typed name; and date certified.)

b. Matching obligation (All vendor invoices must be pre-validated against an obligation prior to the vendor being paid. Consequently, the obligation must be resident in the official accounting system to avoid late charges and/or delinquent payments.)

- c. Date and time the invoice was received by the activity
- d. Document number for fuel/ground services requirement
- e. Line of accounting

It is the activity's responsibility to ensure invoices are properly processed and submitted to their servicing DFAS OPLOC in a timely manner.

4. Past Due Notices

a. If AVCARD does not receive payment within 30 days, the activity is sent a past due notice. Past due notices are generated by AVCARD every two weeks. All outstanding invoices for the activity are listed on the notice until payment is received. An example of a notice is included in Appendix E.

b. A copy of all past due notices are forwarded to NAVPETOFF where spreadsheets and graphs are maintained showing the Department of the Navy's total past due amount by Type Commander. Under each Type Commander are listed the activities with outstanding balances. NAVPETOFF monitors these notices and advises Type Commanders of their activities which have large past due amounts and/or amounts that have been delinquent for several months. NAVPETOFF also contacts squadrons with outstanding amounts and checks to see if certified invoices have been submitted to their servicing DFAS OPLOC for payment. Aggregate totals are also reported to NAVSUP biweekly.

c. There are various reasons why invoices become past due; however, **it is the activity's responsibility to expeditiously research, investigate and pay the charges** to avoid/minimize the amount of interest the DoN must pay under the Prompt Payment Act. As mentioned above, the Government has 30 days from invoice receipt to pay the invoice before interest penalties start to accumulate. If activities do not hold the original invoice, a copy of it may be obtained from AVCARD by calling their customer service number, 410-771-3084. This copy can then be certified as a true copy of the original and forwarded to DFAS for payment. Appendix H contains names, e-mail addresses and additional phone numbers for AVCARD Customer Support.

5. Information and Assistance for Resolving Invoice and Billing Issues

The following information is provided to assist activities in resolving outstanding AIR Card invoice issues. It does not include procedures to resolve all issues, but the methods and

contacts given can be used as a starting point for many situations not presented here.

a. DoDAAC versus UIC: If an activity does not have a billable Department of Defense Activity Address Code (DoDAAC) registered in the DoD Automatic Addressing System (DAAS), invoices and inter-fund bills will not be paid by DFAS. A DoDAAC is a six-position code that uniquely identifies a unit, activity or organization that has the authority to requisition and/or receive services and material. When registered in the DAAS, the DoDAAC is a billable address and DFAS is authorized to pay the activity's invoices and bills. A DoDAAC usually consists of a Service designator code and a Unit Identification Code (UIC), for example N00424. Paying problems arise when a Service designator and UIC are used as a DoDAAC to pay bills for an activity and the combination is not registered in the DAAS. Many smaller units have larger activities that handle their accounting and bill paying. In these instances the larger activity's DoDAAC is used to pay the invoices. Activities must ensure a billable DoDAAC is used for paying invoices.

b. Receipt versus Invoice Discrepancies: If an activity has a receipt from an FBO that does not agree with the AVCARD invoice, the activity should contact AVCARD to reconcile the difference. If AVCARD does not resolve the issue, contact NAVPETOFF who will work with the squadron and AVCARD to settle any irreconcilable differences.

c. No Receipt: If an activity received an invoice from AVCARD but does not hold the receipt document, the activity should contact the FBO (the name, location and phone number is provided on the invoice) and request a copy of the signed fuel receipt.

d. No Invoice Received: If an activity received a past due notice, but does not hold the invoice, a copy of it may be obtained from AVCARD by calling their customer service number 410-771-3084. This copy can then be certified as a true copy of the original and forwarded to DFAS for payment.

6. Credits to AVCARD Accounts

There are several ways credit balances are created and applied to AVCARD accounts. Some credits are generated from tax refunds and others from aircraft defuelings. These types of credit balances can be zeroed out by AVCARD issuing a refund check or by applying the credit balance towards subsequent AIR Card

charges. Activities which want a refund check, or to apply the credit balance towards subsequent charges, should contact AVCARD by emailing Ms. Sherrie Stump at sstump@avcard.com to make the request. Include in the email the activity's AVCARD account number, the amount of credit in your account, and a statement requesting the desired action. For refund checks, TYCOM guidance must be followed to collect the refund. For credit balances applied to subsequent charges, request AVCARD apply the credit to your next invoice except for any credits issued in September. In this case, refund checks should always be requested in order to avoid crossing fiscal years.

EXCEPTION FOR AIRLANT ACTIVITIES: Any AIRLANT activity due a credit, should report that information to the TYCOM POC. The TYCOM will take action to receive the credit in the form of a check, and the necessary documentation will be prepared by CINCLANTFLT to process the credits back to the unit's SFOEDL.

Credits can also be created from duplicate charges, which are administrative errors. No refund checks can be issued, unless the duplicate amount was paid. Credits for duplicate charges will appear on future invoices.

All credited amounts will appear on the activity's next invoice along with the details identifying it as a fuel or ground service credit. Unused credit balances will also appear on past due notices.

7. Taxes

The DESC AIR Card contract requires the contractor (AVCARD) to identify all applicable taxes and their per unit amounts (Federal, State, Local, Territorial, etc.) on all invoices. The contract does not address tax refunds, since it is an issue between the Military Service and the Treasury Department, not the contractor.

a. Canadian Excise Tax: U.S. DoD fuel purchases from all FBOs throughout Canada are exempt from Canadian excise tax. Appendix J contains letters from DESC and Revenue Canada concerning this exemption. The letters cite the Canadian Excise Tax Act (ETA) as their reference. While the ETA provides for an exemption, it does not allow a refund of taxes paid to the end user. Therefore, **Canadian FBOs should not collect excise tax on sales to DoD aircraft** and pilots/aircrew members must ensure there is no Canadian excise tax included on their fuel purchase receipts.

b. U.S. Federal Excise Tax (FET): Activities must pay the Federal Excise Tax associated with AIR Card fuel purchases because the FET is already included in the fuel cost when the FBO procures it. Since the FBO has already paid the FET, he/she cannot reduce the price to DoD customer without taking a loss on the sale. Also, since U.S. Government activities are classified as "Tax Reimbursable entities", they must pay FET up front and then file for a refund. Refunds are obtained by filing a claim with the Internal Revenue Service (IRS). Before the IRS will accept a claim, the activity must have an Employer Identification Number (EIN).

There are two scenarios in which FET is paid when using an AIR Card to purchase fuel. They are: fuel lifted from Into-Plane contracted FBOs and fuel lifted from non-contracted FBOs.

(1) Into-Plane Contracted FBOs: DESC pays the invoices for the FET and fuel received from Into-Plane contracted FBOs and then charges the activity a standard price for the fuel. DESC then files for a FET refund from the Treasury Department. The refunds are deposited back into the Defense Working Capital Fund (DWCF). Taxes for which refunds are not obtained are charged to the DWCF and reflected in future standard prices for fuel.

(2) Non-Contracted FBOs: Activities receive and pay invoices for fuel received and FET charged by non-contracted FBOs. DESC will file FET refund claims on behalf of NAVY and Marine Corps activities and then return the funds to the TYCOMs. The following are the procedures for obtaining FET refunds for fuel lifted from non-contracted FBOs:

(a) DESC, through DFAS Columbus and their relationship established with the IRS, will file FET refund claims for fuel lifts from non-contracted FBOs for Navy and Marine Corps activities. DESC will file the claims by TYCOM (AIRLANT, AIRPAC, AIRESFOR, and CNATRA) based on quarterly FET reports produced by AVCARD. NAVPETOFF will divide up and provide the reports by TYCOM to DESC along with appropriation data provided by the TYCOMs. Upon receiving the refunds, DESC will return the funds to the TYCOMs.

(b) Since no known quarterly claims have been filed for 1998, 1999 or 2000, there will be an annual claim filed for each of those years by DESC for each TYCOM. (The IRS allows up to three years to submit a claim.) Future claims will be filed on a quarterly basis.

(c) DESC is working to centralize invoice payments for fuel lifts from non-contracted FBOs. This involves DESC paying AVCARD invoices and then interfund billing the squadron/activity, similar to procedures for fuel lifts from Into-Plane contracted FBOs. When DESC centralized payment starts, FET refunds will go to DESC vice TYCOMs. Details for this new procedure are currently being developed by DESC.

c. State Excise Tax (SET): Numerous states also impose some type of State Excise Tax on fuel sold to the U.S. Government. To obtain a refund, States require proof of purchase. Some States also require proof that the fuel was consumed in a non-taxable manner. Activities and/or TYCOMs should contact State Revenue Offices to request procedures and forms required for submitting SET refund requests.

APPENDIX A

ACRONYMS

AIR Card	Aviation Into-Plane Reimbursement Card
ASKIT	Aviation StoreKeeper Information Tracking
AVCARD	A Division of Kropp Holdings, Inc.
CONUS	Continental United States
DAAS	Defense Automatic Addressing System
DESC	Defense Energy Support Center
DFAS OPLOC	Defense Finance and Accounting Service Operating Location
DLA	Defense Logistics Agency
DoDAAC	Department of Defense Activity Address Code
EFT	Electronic Funds Transfer
FBO	Fixed Base Operator
MALS	Marine Air Logistics Squadron
NATOPS	Naval Air Training and Operating Procedures Standardization
NAVAIR	Naval Air Systems Command
NAVPETOFF	Navy Petroleum Office
OCONUS	Outside the Continental United States
OPTAR	Operating Target
SCP	Service Control Point
SFOEDL	Summary Filled Order/Expenditure Difference Listing
TYCOM	Type Commander
UIC	Unit Identification Code

APPENDIX B

WEB-SITE ADDRESSES

1. AVCARD: www.avcard.com

Provides CONUS and OCONUS FBOs and airports where the AIR Card is accepted for fuel and ground services. Indicates if there is an Into-Plane contract at the location.

2. Defense Energy Support Center (DESC):
www.desc.dla.mil

Click on "Customer Support" and then "Into-Plane"

Provides contract bulletins for CONUS and OCONUS Into-Plane locations and Canadian National Defence Contract (CNDC) locations. Further AIR Card information is available on the AIR Card icon. DoD standard fuel prices are also provided.

3. NAVPETOFF: www.navpetoff.navy.mil

Provides NAVPETOFF directory of telephone numbers and email addresses, NAVPETOFF instructions, and technical advisories on current issues.

4. Defense Automatic Addressing System Center (DAASC):
daynt6c.daas.dla.mil

This is the DAASC inquiry site, which can be used to verify if a DoD Activity Address Code (DoDAAC) is a billable address.

5. U.S. Air Force:
<https://www.kelly.af.mil/sfweb/CMAL/cm11.htm>

Provides USAF standard fuel prices (DoD standard fuel prices **plus** the USAF surcharges).

APPENDIX C

EXAMPLES OF AVCARD WEB-SITE INFORMATION

CONUS (Louisiana)

SUPPLIER	ICAO	AIRPORT / CITY		FUEL BRAND	FUEL	OASIS CONTRACT	GOV'T INTO-PLANE	GROUND SERVICES
<u>ALPHA AVIATION INC.</u>	KIER	REGIONAL NATCHITOCHES	122.800	AVFUEL	✓			✓
<u>AVIAPORT BUSINESS JET CENTER</u>	KNEW	LAKEFRONT NEW ORLEANS	122.950	TEXACO/AVFUEL	✓			✓
<u>BEAUREGARD PARISH AIRPORT</u>	KDRI	BEAUREGARD PARISH AIRPORT DE RIDDER	122.800	EXXON	✓			✓
<u>BOGALUSA AIRPORT INC.</u>	KBXA	GEORGE CARR MEMORIAL BOGALUSA	122.800	CHEVRON	✓			✓
<u>CAREY OF NEW / BTR / LFT</u>	KNEW	NEW ORLEANS						✓
<u>CHENNAULT JET CENTER</u>	KCWF	CHENNAULT INDUSTRIAL LAKE CHARLES	122.950	PHILLIPS	✓		✓	✓
<u>CITY OF MINDEN</u>	KF24	MINDEN- WEBSTER MINDEN	122.800	AVFUEL	✓			✓
<u>EAGLE AIR SERVICES INC.</u>	KOPL	ST. LANDRY PARISH AIRPORT OPELOUSAS	122.800	INDEP	✓			✓
<u>ENGLAND JET CENTER</u>	KAEX	INT'L. ALEXANDRIA	130.000	AIRBP	✓	✓	✓	✓
<u>ESLER INDUS DEVELOPMENT DIST.</u>	KESF	ESLER REGIONAL PINEVILLE	122.950	TEXACO	✓		✓	✓
<u>EXECUTIVE AVIATION INC.</u>	KBTR	METROPOLITAN BATON ROUGE	131.220	PHILLIPS	✓		✓	✓
<u>GENERAL AVIATION - MSY</u>	KMSY	INT'L. NEW ORLEANS	122.950	EXXON	✓	✓	✓	✓
<u>GENERAL AVIATION - NEW</u>	KNEW	LAKEFRONT NEW ORLEANS	122.950	TEXACO	✓	✓	✓	✓
<u>HAMMONDS AIR SERVICE</u>	KHUM	HOUMA- TERREBONNE HOUMA	131.620	PHILLIPS	✓			✓

APPENDIX C (continued)

OCONUS (Germany)

SUPPLIER	ICAO	AIRPORT / CITY		FUEL BRAND	FUEL	OASIS CONTRACT	GOV'T INTO-PLANE	GROUND SERVICES
<u>TEXACO PRE-THRU TFS</u>	EDDB	SCHONEFELD BERLIN		TEXACO	✓	✓		
<u>ELF</u>	EDDB	SCHONEFELD BERLIN		ELF	✓	✓		
<u>TAG AVIATION BERLIN GMBH</u>	EDDI	TEMPELHOF BERLIN	130.600					✓
<u>AIRBP</u>	EDDI	TEMPELHOF BERLIN		AIRBP	✓		✓	
<u>ESSO</u>	EDDI	TEMPELHOF BERLIN		ESSO	✓	✓		
<u>AIRBP</u>	EDDT	BERLIN		AIRBP	✓		✓	
<u>TEXACO PRE-THRU BFS</u>	EDDT	TEGEL BERLIN		TEXACO	✓	✓		
<u>ELF</u>	EDDT	TEGEL BERLIN		ELF	✓	✓		
<u>ESSO</u>	EDDW	BREMEN BREMEN		ESSO	✓	✓		
<u>ESSO</u>	EDWB	AM LUNEOT BREMERHAVEN		ESSO	✓	✓		
<u>COLOGNE AVIATION SERVICES</u>	EDDK	COLOGNE/BONN COLOGNE	130.850					✓
<u>MOBIL</u>	EDDK	KOHL-BONN COLOGNE		MOBIL	✓	✓		
<u>TEXACO PRE-THRU ATD</u>	EDDK	KOHL-BONN COLOGNE		TEXACO	✓	✓		
<u>PROCEEDAIR</u>	EDDK	KOLN/BONN COLOGNE	130.550					✓
<u>TOTALFINA DEUTSCHLAND GMBH</u>	EDDK	BONN COLOGNE		TOTAL	✓		✓	
<u>ELF</u>	EDDC	DRESDEN/KLOTZSCHE DRESDEN		ELF	✓	✓		
<u>TEXACO PRE-THRU TFS</u>	EDDC	DRESDEN DRESDEN		TEXACO	✓	✓		
<u>KUWAIT</u>	EDDL	LOHAUSEN DUSSELDORF		KUWAIT	✓	✓		
<u>PROCEEDAIR</u>	EDDL	INT'L DUSSELDORF	130.550					✓
<u>EFS EXECUTIVE FLIGHT SVC</u>	EDDL	DUSSELDORF	130.175					✓

APPENDIX D

EXAMPLE OF AN AVCARD INVOICE

(Fuel Purchase)



REMIT TO: AVCARD
PO BOX 79682

BALTIMORE, MD 21279-0682

CERTIFICATION ORIGINAL BILLING DETAIL

PAGE: 0001

PAYING OFFICE: FLEET LOGISTICS SUPPORT SQ 56 VR 56
NAVAL AIR STATION
1029 BELLINGER BLVD SUITE 100
NORFOLK VA 23511-5397

POC: P.O. HOLMES

00D0002: LOCAL PURCHASE
--> ACCOUNT NUMBER: 530175
--> INVOICE NUMBER: 789242
BILLING DATE: 8/31/2000
PAYMENT DUE: 9/30/2000
FOR QUESTIONS CALL: (410) 771-3046

AVCARD TAX ID: 52-1574498

CHARGES FLEET LOGISTICS SUPPORT SQ 56 VR 56
INCURRED NAVAL AIR STATION
BY: 1029 BELLINGER BLVD SUITE 100
NORFOLK VA 23511-5397

POC: P.O. HOLMES

BANK INFO:

Wire Transfer Information to AVCARD
SunTrust Bank Atlanta, GA USA
Account # 209132582 Fed Wire ABA # 051000020
SWIFT SNTR US 3A ACH ABA # 055002707

TICKET	DATE	NSN-CODE	DESCRIPTION	QUANTITY	UOM	UNIT-PRICE	AMOUNT
DODAAC: N53856		FLEET LOGISTICS SUPPORT SQ 56 VR 56		BRANCH/AGENCY: USN			
AIRCRAFT: 01		001639 C-9B		FUND CODE: U5		SIGNAL CODE: A	UNIT: VR-56
LOCATION: SIGNATURE FLIGHT SUPPORT -MCO		ORLANDO		FL USA		407-825-6999	AIRPORT ID: KMCO
002383429	8/25/00	9130-01-305-409	JET A	2,027.000	GAL	2.7329	5,539.79
			FED. EXCISE TAX				443.91
			OTHER TAXES				265.54
		* TICKET TOTAL		2,027.000	PPG	3.0829	6,249.24 *
LOCATION: SIGNATURE FLIGHT SUPPORT -BOS		BOSTON		MA USA		617-569-5260	AIRPORT ID: KBOS
002400291	8/27/00	9130-01-305-409	JET A	744.000	GAL	2.8809	2,143.46
			FED. EXCISE TAX				162.94
			OTHER TAXES				37.20
		* TICKET TOTAL		744.000	PPG	3.1500	2,343.60 *
		** AIRCRAFT TOTAL		2,771.000			8,592.84 *
		*** DODAAC: TOTAL		2,771.000			8,592.84 *
		***** BILLING TOTAL		2,771.000			8,592.84 **

APPENDIX D (continued)

REMIT TO: AVCARD
PO BOX 79682

BALTIMORE, MD 21279-0682

CERTIFICATION ORIGINAL BILLING DETAIL

PAGE: 0002

PAYING OFFICE: FLEET LOGISTICS SUPPORT SQ 56 VR 56
NAVAL AIR STATION
1029 BELLINGER BLVD SUITE 100
NORFOLK VA 23511-5397

POC: P.O. HOLMES

00D0002: LOCAL PURCHASE
--> ACCOUNT NUMBER: 530175
--> INVOICE NUMBER: 789242
BILLING DATE: 8/31/2000
PAYMENT DUE: 9/30/2000
FOR QUESTIONS CALL: (410) 771-3046

AVCARD TAX ID: 52-1574498

CHARGES FLEET LOGISTICS SUPPORT SQ 56 VR 56
INCURRED NAVAL AIR STATION
BY: 1029 BELLINGER BLVD SUITE 100
NORFOLK VA 23511-5397

POC: P.O. HOLMES

BANK INFO:
Wire Transfer Information to AVCARD
SunTrust Bank Atlanta, GA USA
Account # 209132582 Fed Wire ABA # 051000020
SWIFT SNTR US 3A ACH ABA # 055002707

TICKET	DATE	NSN-CODE	DESCRIPTION	QUANTITY	UOM	UNIT-PRICE	AMOUNT
--------	------	----------	-------------	----------	-----	------------	--------

SUMMARY OF EXPENSES

ITEM PURCHASED	FUEL-QTY	FUEL-COST	GRDSVC-COST
JET A	2,771.00	7,683.25	
FED. EXCISE TAX		606.85	
OTHER TAXES		302.74	
TOTAL:	2,771.00	8,592.84	

CERTIFIED BY: _____
(SIGNATURE)

FUNDITE: _____

(PRINT NAME)

DATE: _____

APPENDIX D (continued)
EXAMPLE OF AN AVCARD INVOICE
(Ground Services Purchase)



REMIT TO: AVCARD
 PO BOX 79682

BALTIMORE, MD 21279-0682

CERTIFICATION ORIGINAL BILLING DETAIL

PAGE: 0001

PAYING OFFICE: FLEET LOGISTICS SUPPORT SQ 56 VR 56
 NAVAL AIR STATION
 1029 BELLINGER BLVD SUITE 100
 NORFOLK VA 23511-5397

POC: P.O. HOLMES

00D0002: LOCAL PURCHASE
--> ACCOUNT NUMBER: 530175
--> INVOICE NUMBER: 789243
BILLING DATE: 8/31/2000
PAYMENT DUE: 9/30/2000
FOR QUESTIONS CALL: (410) 771-3046

AVCARD TAX ID: 52-1574498

CHARGES FLEET LOGISTICS SUPPORT SQ 56 VR 56
INCURRED NAVAL AIR STATION
BY: 1029 BELLINGER BLVD SUITE 100
 NORFOLK VA 23511-5397

POC: P.O. HOLMES

BANK INFO:
Wire Transfer Information to AVCARD
SunTrust Bank Atlanta, GA USA
Account # 209132582 Fed Wire ABA # 051000020
SWIFT SNTR US 3A ACH ABA # 055002707

TICKET	DATE	NSN-CODE	DESCRIPTION	QUANTITY	UOM	UNIT-PRICE	AMOUNT
<hr/>							
DODAAC: N53856		FLEET LOGISTICS SUPPORT SQ 56 VR 56	BRANCH/AGENCY: USN				
AIRCRAFT: 01		001639 C-9B	FUND CODE: U5		SIGNAL CODE: A	UNIT: VR-56	
LOCATION: SIGNATURE FLIGHT SUPPORT -BOS		BOSTON	MA USA		617-569-5260	AIRPORT ID: KBOS	
002400291	8/27/00		RAMP FEES/PARKING				44.00
			LANDING FEE				258.94
			MISCELLANEOUS				66.96
		*	TICKET TOTAL				369.90 *
		**	AIRCRAFT TOTAL				369.90 *
		***	DODAAC: TOTAL				369.90 *
		*****	BILLING TOTAL				369.90 **

APPENDIX D (continued)

REMIT TO: AVCARD
PO BOX 79682

BALTIMORE, MD 21279-0682

CERTIFICATION ORIGINAL BILLING DETAIL

PAGE: 0002

PAYING OFFICE: FLEET LOGISTICS SUPPORT SQ 56 VR 56
NAVAL AIR STATION
1029 BELLINGER BLVD SUITE 100
NORFOLK VA 23511-5397

POC: P.O. HOLMES

00D0002: LOCAL PURCHASE
--> ACCOUNT NUMBER: 530175
--> INVOICE NUMBER: 789243
BILLING DATE: 8/31/2000
PAYMENT DUE: 9/30/2000
FOR QUESTIONS CALL: (410) 771-3046

AVCARD TAX ID: 52-1574498

CHARGES FLEET LOGISTICS SUPPORT SQ 56 VR 56
INCURRED NAVAL AIR STATION
BY: 1029 BELLINGER BLVD SUITE 100
NORFOLK VA 23511-5397

POC: P.O. HOLMES

BANK INFO:
Wire Transfer Information to AVCARD
SunTrust Bank Atlanta, GA USA
Account # 209132582 Fed Wire ABA # 051000020
SWIFT SNTR US 3A ACH ABA # 055002707

TICKET	DATE	NSN-CODE	DESCRIPTION	QUANTITY	UOM	UNIT-PRICE	AMOUNT
--------	------	----------	-------------	----------	-----	------------	--------

SUMMARY OF EXPENSES

ITEM PURCHASED	FUEL-QTY	FUEL-COST	GRDSVC-COST
RAMP FEES/PARKING			44.00
LANDING FEE			258.94
MISCELLANEOUS			66.96
TOTAL:			369.90

CERTIFIED BY: _____
(SIGNATURE)

FUNDCITE: _____

(PRINT NAME)

DATE: _____

APPENDIX E

EXAMPLE OF AN AVCARD PAST DUE NOTICE



0000002:LOCAL PURCHASE
FUEL & GROUND SERVICES

PAST DUE NOTICE

To: VFA 99
ATTN: COMMANDING OFFICER
UNIT 60999
FPO AE 99099-1234

POC: AK1 MORROW

Remit To:

AVCARD

P. O. BOX 79682

BALTIMORE, MD. 21279-0682

For Questions call:

410/771-3084

Payment Terms:

Net 14 days

LATE PAYMENT CHARGES
AFTER 30 DAYS

Account Number: 537699

NAVY

Date 08/17/00

(includes all payments received
prior to the above date)

OUR RECORDS INDICATE THE REFERENCE NUMBERS BELOW ARE STILL OUTSTANDING.
WOULD YOU PLEASE GIVE THIS MATTER YOUR PROMPT ATTENTION. IF PAYMENT HAS
BEEN MADE, PLEASE DISREGARD THIS NOTICE.

WE APPRECIATE YOUR BUSINESS.

Reference Number	Bill Date	Due Date	Invoice Amount	Late Payment Charge	Total Due
734667	02/03/00	03/04/00	175.60		175.60
744192	03/09/00	04/08/00	35.00		35.00
766105	06/01/00	07/01/00	4005.00		4005.00
769592	06/15/00	07/15/00	9125.11		9125.11
			\$ 13340.71	\$	\$ 13340.71

FOR AVCARD USE ONLY: 757433:9999

CHARGES INCURRED BY:

VFA 99
ATTN: COMMANDING OFFICER
UNIT 60999
FPO AE 99099-1234

POC: AK1 MORROW

DODAAC:
V09999
VFA-99

757433:9999

Wire Transfer Information to AVCARD
SunTrust Bank Atlanta, GA USA
Account # 209132582
Fed Wire ABA # 051000020
SWIFT SNTR US 3A
ACH ABA # 055002707

APPENDIX F

PROMPT PAYMENT ACT CERTIFICATION AND DEDUCTION FORM

PROMPT PAYMENT CERTIFICATION AND DEDUCTION
(DATES MUST BE IN YY-MM-DD FORMAT)

INVOICE NUMBER (S): _____

INVOICE DATE (S): _____

DATE MATERIAL RECEIVED: _____

DATE MATERIAL ACCEPTED: _____

DATE INV REC'D BY CERT ACTIVITY: _____

DATE FORWARDED FOR PAYMENT: _____

REQUISITIONING UIC: _____

GROSS AMOUNT OF INVOICE: _____ AMT CERT FOR PMT: _____

CERTIFYING ACTIVITY'S UIC: _____

DEDUCTION AMOUNT: _____

REASON FOR DEDUCTION: _____

BRIEF DESCRIPTION AND QUANTITY OF GOODS/SERVICES: _____

CONTRACT NUMBER (PIIN): _____

SPIIN (CALL #): _____

STANDARD DOCUMENT NUMBER (if applicable): _____

LINE OF ACCOUNTING/ACRN: _____

I CERTIFY THAT THE ACCOUNTING DATA PROVIDED IS ACCURATE. FUNDS HAVE BEEN OBLIGATED AND CHANGES HAVE BEEN APPLIED TO THE APPROPRIATE ACCOUNTING CLASSIFICATION REFERENCE NUMBER (ACRN); AVAILABLE FUNDS HAVE BEEN DECREMENTED FOR THE AMOUNT APPROVED FOR DISBURSEMENT AND WILL NOT BE DE-OBLIGATED; AND THE ABOVE INVOICE IS CORRECT AND PROPER FOR PAYMENT.

(SIGNATURE) _____ (DATE) _____

(PRINTED NAME AND TITLE) _____

(ACTIVITY) _____ (PHONE NUMBER) _____

APPENDIX G

LIST OF GUIDANCE MESSAGES

1. NAVPETOFF

NAVPETOFF FT BELVOIR VA, DTG 211741Z JUN 00

SUBJ: NAVPETOFF POL TECHNICAL ADVISORY 00-13, EXPIRATION
AND REPLACEMENT OF DON AIRCARD CREDIT CARDS

NAVPETOFF FT BELVOIR VA, DTG 091201Z APR 99

SUBJ: NAVPETOFF POL TECHNICAL ADVISORY 99-9, PROCUREMENT OF
AVIATION FUEL USING THE AIRCARD AND IDENTAPLATE

2. TYCOMs

COMNAVAIRLANT NORFOLK VA, DTG 280103Z APR 98

SUBJ: AVIATION INTO-PLANE REIMBURSEMENT (AIR) CARD GUIDANCE

COMNAVAIRPAC SAN DIEGO CA, DTG 150058Z JUL 99

SUBJ: PROCUREMENT OF AVIATION FUEL USING THE AIRCARD AND
IDENTAPLATE

COMNAVAIRPAC SAN DIEGO CA, DTG 060057Z APR 98

SUBJ: PROCEDURES FOR USING THE AVIATION FUEL CREDIT CARD

APPENDIX H

ACCEPTANCE OF GRATUITIES



DESC-PH

REPLY
REFER TO

DEFENSE LOGISTICS AGENCY
DEFENSE ENERGY SUPPORT CENTER
8725 JOHN J. KINGMAN ROAD, SUITE 4950
FORT BELVOIR, VA 22060-6222

21 JUN 2000

Navy Petroleum Office
Attn: Vivian L. Williamson
8725 John J. Kingman Road, Suite 4950
Ft. Belvoir, VA 22060

Dear Ms. Williamson:

This letter is a request for help in disseminating guidance concerning the acceptance of gratuities by the Military pilots who use the Defense Energy Support Center's (DESC's) contracts. DESC sometimes receives complaints that aircrews are accepting gratuities from contractors when purchasing fuel at commercial locations. The pilot, flight commander, aircraft commander and crew chief are considered to be Government procurement officials and as such, must not accept gratuities. Enclosed is Attachment 1 Executive Order # 12731, entitled Principals of Ethical Conduct For Government Officers and Employees. This order clearly identifies the ethical conduct that is expected of our flight crewmembers. Paragraph (d) addresses solicitation and acceptance of gratuities. Please provide a copy of this correspondence and its attachments to your local Ethics Counselor.

DESC took the initiative and sent a letter to all current Into-Plane Contractors. Enclosed at Attachment 2 is the letter which emphasizes that offering gratuities to aircrews is prohibited and is explicit that they could be subject to civil fines under 41 U.S.S. 423 (h)(3)(i) along with other consequences. This letter is also posted on the DESC Into-Plane homepage www.desc.dla.mil/main/p/specialt/intoplan/intro.htm.

Request that you make this information available to the flight crews and others who use the DESC Into-plane contracts. If you have any questions please contact me at 703-767-8456 or Diane Schmidt at 703-767-8496.

A handwritten signature in cursive script, reading "Edward A. Munns, Jr.", is located at the bottom right of the page.

EDWARD A. MUNNS, JR.
Contracting Officer

APPENDIX H (continued)

Executive Order 12731 of October 17, 1990

PRINCIPLES OF ETHICAL CONDUCT FOR GOVERNMENT OFFICERS AND EMPLOYEES

By virtue of the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to establish fair and exacting standards of ethical conduct for all executive branch employees, it is hereby ordered as follows:

Principles of Ethical Conduct. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each Federal employee shall respect and adhere to the fundamental principles of ethical service as implemented in regulations promulgated under sections 201 and 301 of this order:

- (a) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.
- (b) Employees shall not hold financial interests that conflict with the conscientious performance of duty.
- (c) Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.
- (d) An employee shall not, except pursuant to such reasonable exceptions as are provided by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
- (e) Employees shall put forth honest effort in the performance of their duties.
- (f) Employees shall make no unauthorized commitments or promises of any kind purporting to bind the Government.
- (g) Employees shall not use public office for private gain.
- (h) Employees shall act impartially and not give preferential treatment to any private organization or individual.

APPENDIX H (continued)

(i) Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.

(j) Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.

(k) Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.

(l) Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those -- such as Federal, State, or local taxes -- that are imposed by law.

(m) Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.

(n) Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards promulgated pursuant to this order.



APPENDIX H (continued)
DEFENSE LOGISTICS AGENCY
DEFENSE ENERGY SUPPORT CENTER
8725 JOHN J. KINGMAN ROAD, SUITE 4950
FORT BELVOIR, VIRGINIA 22060-6222

IN REPLY
REFER TO

DESC-PH

Dear DESC Into-Plane Contractor,

Occasionally, DESC receives information that a DESC contractor may have provided illegal gratuities to Government personnel who purchase fuel at commercial airports. Such allegations have included the offering of free food, rental cars, taxi rides, and T-shirts. Given the serious nature of these allegations, I would like to take this opportunity to remind you of the prohibitions against providing unlawful gratuities to Government personnel.

DESC into-plane contracts contain specific clauses governing the offering and giving of gratuities to Government employees. DESC Clause I27 Gratuities and the criminal statute it implements prohibits the giving of gratuities to Government personnel when given with the intent to obtain a contract or influence favorable treatment under a contract. The phrase "gratuity" is defined to include any gift, favor, entertainment, transportation, lodgings, meals, services, training, or any other item having monetary value.

The pilot, flight commander, aircraft commander and crew chief are Government procurement officials. These individuals are the Government personnel who elect to fly into your location under the requirements contract and who in fact obligate the Government to pay for fuel purchased. When contractors provide personal incentives such as T-shirts, knives, mugs, caps, free rental cars, beer, and food to pilots or others who decide whether to land at a particular location, it can lead one to conclude that the contractor was providing these incentives with the intent "to obtain favorable action under the contract." When these incentives are based upon the volume of fuel lifted, it is even easier to make the inference.

Under 41 U.S.C. § 423 (h)(3)(i), giving gratuities to "procurement officials" is punishable by a civil fine of not more than \$1,000,000. In addition, the agency may also deny payment of any profit under the contract. Pursuant to the Gratuities Clause, when the agency head determines that the contractor offered or gave a gratuity to Government personnel and intended to obtain a contract or favorable treatment under the contract, the Government has the right to take the following actions:

- 1.) to terminate the contract,
- 2.) initiate debarment or suspension action,
- 3.) assess exemplary damages of not less than 3 nor more than ten times the cost incurred by the contractor in giving the gratuities to the person concerned
- 4.) to pursue the same remedies as in breach of contract, and
- 5.) to pursue any other rights and remedies provided by law or under the instant contract.




APPENDIX H (continued)

DESC business shall be conducted in a manner above reproach with complete impartiality and without preferential treatment. The best policy is to avoid any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships.

If you suspect any unlawful activity concerning the soliciting or acceptance of gratuities, or conflict of interest, please disclose this information immediately to either the DESC Contracting Officer or DESC's Fraud Counsel, 703-767-5020. Action can only take place if we are informed of these matters. Please disseminate this information to your personnel in the hopes of educating them in conducting proper business practices.

If you have any questions, please call your respective Contracting Officer, Christina Young, at (703) 767-8491 or Marvin Grubbs at (703) 767-8472.

Sincerely,


DEBORAH L. VAN KLEEF
Chief, Specialty Fuels Division
Direct Delivery Fuels
Defense Energy Support Center

APPENDIX I

POINTS OF CONTACT

1. NAVPETOFF

- Herb Proksch, Program Manager
DSN: 427-7358
COML: 703-767-7358
E-Mail: herb_proksch@navpetoff.navy.mil

2. AVCARD

CUSTOMER SUPPORT - AVCARD is manned 24 hours/7 days a week with telephone access to:.

- Receive airport assistance
- Pre-arrangements for refueling/ground services

1-800-AVCARD-1 (CONUS)
1-410-771-3083 (COLLECT from overseas)

Anna Amiskimon, Government Clerk for invoices
COML: 410-771-3084
E-Mail: amiskimon@avcard.com

Dixie Brownstein, Customer Service
COML: 410-771-3099
E-Mail: mmartin@avcard.com

Vicki Bell, Customer Service
COML: 410-771-3099
E-Mail: vbell@avcard.com

3. TYCOMs

COMNAVAIRLANT Capt. David Skinner, USMC, Code N4132
DSN: 564-7802 ext. 344
COML: 757-444-7802 ext. 344
E-Mail: skinnerda@exchange.airlant.navy.mil

APPENDIX I (continued)

COMNAVAIRPAC Debbie Jackson, Code N01F1
DSN: 735-2763
COML: 619-545-2763
E-Mail: jackson.deborah.k@cnap.navy.mil

Susanna Tan, Code N01F1
DSN: 735-2763
COML: 619-545-2763
E-Mail: tan.susanna.d.@cnap.navy.mil

USMC Contact the MALS POC which supports your
activity.

COMNAVRESFOR AKC Riley Smith
DSN: 678-6064
COML: 504-678-6064
E-Mail: airn41111@cnrf.nola.navy.mil

CNATRA Jeanne Hahn
DSN: 861-2390,
COML: 361-961-2390
E-Mail: hahn.j.l@nrst.navy.mil

4. DFAS OPLOCs

NORFOLK Vendor Pay
1-800-209-1628

SAN DIEGO Vendor Pay
Duane Bahler
DSN: 669-4983
COML: 858-616-4983
E-Mail: duane.bahler@dfas.mil

PENSACOLA Vendor Pay
Marty Minchew
DSN: 753-5984
COML: 850-473-5984
E-Mail: marty.minchew@dfas.mil

APPENDIX J

CANADIAN EXCISE TAX EXEMPTION



DEFENSE LOGISTICS AGENCY

DEFENSE ENERGY SUPPORT CENTER
8725 JOHN J. KINGMAN ROAD, SUITE 4950
FORT BELVOIR, VA 22060-6222

IN REPLY
REFER TO

DESC-PH

Dear Canadian Fixed Base Operator:

Enclosed is correspondence between the U.S. Air Force and the Canadian Revenue concerning Federal Excise Tax (FET) paid on fuel purchased from Fixed Base Operators (FBOs) throughout Canada. Pursuant to the Excise Tax Act, further described below, the U.S. Department of Defense (DoD) is exempt from this Federal Excise Tax.

Our records indicate that fuel lifted from your location within the last two (2) years included FET. The charge was added to the invoice and paid by our AIR Card contractor, AVCARD. Since we were just informed of this tax exempt status and are not able to go directly to Canada Revenue for a refund, we are requesting that you refund the amount invoiced for FET. Please issue a check payable to the U.S. Air Force, U.S. Navy or the U.S. Army and mail it to the appropriate address listed on enclosure one (1). Once this refund is completed, as stated in the letter from Canada Revenue, you are entitled to claim a refund, see enclosure for Canadian point of contact (POC).

For all U.S. DoD fuel purchases: All FBOs throughout Canada shall not include FET on their invoices. Subsection 23(1) of the Excise Tax Act (ETA), paragraph 23(8)(b) provides an exemption for taxes payable under the Act. This exemption provision ultimately allows DoD to purchase fuel in Canada exempt of Excise Tax at the point of sale.

If you have any questions concerning this matter, please contact Diane Schmidt at (703) 767-8496 or the undersigned at (703) 767-8456.

cc: Air Card Contractor
Encl

Sincerely,

A handwritten signature in black ink, reading "Edward A. Munns, Jr.", is written over the typed name.

EDWARD A. MUNNS, JR.
Contracting Officer



Sergeant R. Armstead
United States Air Force
Directorate of Aerospace Fuels
1014 Billy Mitchell Blvd.
Suite 1, Kelly Air Force Base
San Antonio, Texas
78241

August 19, 1999

Dear Sgt. Armstead,

Re: Refund of Excise Tax Paid on Fuel

The following is in response to your inquiry August 17, 1999, regarding the recovery of Excise Tax paid on fuel. You indicated that the United States Air Force has paid Federal Excise Tax on purchases of fuel while in Canada and that the purchases should not be subject to tax.

During our conversation the following facts were provided regarding your inquiry:

- the United States Air Force (USAF) purchases fuel for aircraft while in Canada
- the purchases are made primarily from the Canadian Department of National Defence (DND)
- occasionally purchases are made directly from commercial suppliers
- the purchases from DND were exempt of Federal Excise Tax whereas purchases from other suppliers have included the Federal Excise Tax
- you are inquiring as to whether you are eligible to recover excise tax paid to the commercial suppliers and how to purchase exempt of tax for all future purchases

Subsection 23(1) of the Excise Tax Act (ETA) applies an excise tax to, among other items, gasoline, aviation gasoline as well as aviation and diesel fuel produced or imported into Canada. Paragraph 23(8)(b) of the ETA provides an exemption for taxes payable under subsection 23(1) of the Act. The exemption provision ultimately allows the USAF to purchase fuel in Canada exempt of Excise Tax. While the Act provides an exemption, it does not allow a refund of taxes paid, to the end user as it is intention of the legislation for the fuel be purchased exempt of tax. Therefore suppliers of fuel should not collect excise tax on sales to the USAF in Canada.

APPENDIX J (continued)

As the legislation does not allow a refund for the end user of the fuel, Revenue Canada can not refund the tax directly to the USAF. In order to recover tax paid on past purchases, you must inform your suppliers that the sales were exempt and request a refund of tax previously paid. Once the tax is refunded, the suppliers would then be entitled to claim a refund from Revenue Canada. It should be noted however that the suppliers are limited by the ETA to claiming a refund for two years from the time the tax was paid, therefore the suppliers are not required to refund tax paid beyond this two year limit. Suppliers requesting information regarding refunds should be directed to their local Revenue Canada Tax Services Office. The office can provide forms and any information necessary to claim a refund.

If you have any further questions or concerns regarding the above, please contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Hagmann', with a long horizontal flourish extending to the right.

Ron Hagmann C.G.A.
Senior Excise Auditor
(613) 998-5743

c.c. Bill Gray, Director Excise Taxes & Special Levies